



COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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August 18, 2004

IN REPLY PLEASE
REFER TO FILE: PD-1

TO: Each Supervisor

FROM: Donald L. Wolfe
Interim Director of Public Works

A handwritten signature in black ink that reads "Donald L. Wolfe". The signature is written in a cursive, flowing style.

ALAMEDA CORRIDOR EAST (ACE) PROJECT JULY 19, 2004, MEETING

On July 19, 2004, the San Gabriel Valley Council of Governments-ACE Construction Authority held its regular monthly meeting. A copy of the agenda and the adopted minutes of the June 28, 2004, meeting is attached. The following item occurred at the meeting, which is of interest to the County.

Under Agenda Item V, the Chief Executive Officer gave a report to update the ACE Construction Authority Board on the status of the State Transportation Budget. Assembly Bill 687 (Nunez/Barton) was signed by Governor Schwarzenegger on July 1, 2004. The bill's provisions, per the approved State Budget, include up to \$1.397 billion in bond proceeds from the Tribal-State gaming compacts of which \$1.214 billion is to be dedicated for transportation. Of these transportation funds, \$453 million is intended to fund Traffic Congestion Relief Program (TCRP) projects. Of ACE Construction Authority's current funding shortfall of \$81.3 million for Phase I projects, \$61.6 million is due to the loss of previously committed State TCRP funding. Funding of TCRP projects through Assembly Bill 687 as incorporated into the approved State Budget is predicated on the defeat of the two tribal-related initiatives on the November ballot.

There were no action items considered by the ACE Construction Authority Board before they adjourned to closed session.

The next meeting of the ACE Construction Authority Board will be on August 23, 2004, at the Irwindale City Hall at 2 p.m.

GAJ:dp

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Attach.

cc: Chief Administrative Office
Executive Office



Alameda Corridor-East Construction Authority

4900 Rivergrade Rd. Ste A120 Irwindale, CA 91706 (626) 962-9292 fax (626) 962-3552 www.theaceproject.org

**NOTE: DATE
CHANGE**

REGULAR MEETING AGENDA Monday, July 19, 2004, 2 P.M. Irwindale City Hall - Council Chambers 5050 Irwindale Avenue Irwindale, CA 91706

Members of the public may comment on any item on the agenda at the time it is taken up by the Board. We ask that members of the public come forward to be recognized by the Chair and keep their remarks brief. If several persons wish to address the Board on a single item, the Chair may impose a three- minute time limit on individual remarks at the beginning of discussion.

All items set forth on this agenda may be subject to action.

- I. Roll Call and Introductions
- II. Approval of Minutes - Regular Meeting of June 28, 2004 (Pages 1-4) Action
- III. Public Comment
- IV. Chairman's Remarks Information
- V. Chief Executive Officer's Report (Pages 5-14) Information
- VI. Quarterly Report (Pages 15-32) Information
- VII. State and Federal Legislative Update Information
- VIII. Closed Session: The Board will adjourn to closed session to discuss:
 - ✓ Conference with real property negotiators in accordance with Government Code Section 54956.8
 - Property Address: 151 N. Reservoir Street, Pomona, CA Possible
Agency Negotiators: Mark Mendoza, Paragon Partners/Joe Montes, Burke, Action
Williams & Sorensen, LLP
Negotiating Parties: ACE Construction Authority and Judith and Alan Gatto
Matters under negotiation: Price and terms
 - Property Address: 11258 Ramona Blvd., El Monte, CA Possible
Agency Negotiators: Mark Mendoza, Paragon Partners/Joe Montes, Burke, Action
Williams & Sorensen, LLP
JP Engine Inc. and ACE Construction Authority
Matters under negotiation: Price and terms

The ACE Construction Authority is currently constituted of seven (7) member jurisdictions: the City of El Monte, the City of Industry, the City of Montebello, the City of San Gabriel, the City of Pomona, the County of Los Angeles, and the San Gabriel Valley Council of Governments. A San Bernardino County Council of Governments representative is an ex officio Board member.

Each member or alternate has one vote. A quorum of the ACE Construction Authority is no less than four (4) of its total voting membership. Actions taken by the ACE Construction Authority shall be by simple majority of the members present with a quorum in attendance except for personnel actions, the annual budget, matters dealing with the Administrative Code or matters requiring subsequent approval by the SGVCOG, all of which shall require five (5) votes.

- o Property Address: 11248 Ramona Blvd., El Monte, CA
Agency Negotiators: Mark Mendoza, Paragon Partners/Joe Montes, Burke,
Williams & Sorensen, LLP
Super Unique Auto Repair and ACE Construction Authority
Matters under negotiation: Price and terms

Possible
Action

- ✓ Performance Evaluation of Chief Executive Officer in accordance with Government
Code 54957

Possible
Action

IX. Adjournment

Action



**ACE Construction Authority
Regular Board Meeting
June 28, 2004
Minutes**

Chairman Harry Baldwin called the meeting to order at the Irwindale Council Chambers on June 28, 2004 at 2:01 PM.

1. In attendance were:

Ernest Gutierrez, El Monte
Ed Cortez, Pomona
Ed Vasquez, Montebello
Jack Phillips, Industry
Bob Huff, Diamond Bar, SGVCOG
Paul Eaton, SANBAG, Ex Officio

Staff

Rick Richmond, Chief Executive Officer
Joe Silvey, Legal Counsel
Sharon Neely, staff
Deanna Stanley, staff
Cynthia Ambrose, staff
Bruce Armistead, staff
Girish Roy, staff

Guests

West Covina Mayor Mike Miller
Henry Lopez, Foothill Transit
Rahul Kumar, Foothill Transit
Jim McDermott, McDermott Consulting

2. Approval of Regular Meeting minutes of May 20, 2004.

A motion was made to approve the meeting minutes of May 20, 2004.
M/S/C: Cortez/Huff/Unanimous

3. Public Comments

There were no public comments.

4. Chairman's Remarks

Vice Chairman Ernest Gutierrez chaired the meeting in the absence of Chairman Baldwin. Vice Chairman Gutierrez thanked Chairman Baldwin for meeting with legislators in Sacramento to discuss increased funding support for ACE Projects in the pending FY '05 State Transportation Budget. He also indicated at the July Board meeting the Board would discuss the performance of Chief Executive

Officer Rick Richmond. He also requested comments be turned into the Chairman for discussion before the next meeting.

5. Chief Executive Officer's Report

Rick Richmond noted that Vice Chairman Gutierrez had accepted the Quality of Life Award of behalf of the Authority from the San Gabriel Valley Economic Partnership at their May 22nd ceremony for 'outstanding contributions to the San Gabriel Valley and its pursuit to building a better tomorrow'. He also noted that the Authority had begun advertisement for construction of the Ramona underpass in El Monte. Staff expects to return with a recommendation for award at the August Board meeting. The CEO also noted that staff had distributed information regarding the August 3rd Mobility 21 Conference if Board members were interested in attending.

Bruce Armistead reviewed construction progress photos of the Nogales Street grade separation project. He indicated that the excavation was 50% completed and that the Valley Blvd. bridge foundations were 97% completed. Overall, the contract work is 35% complete with an estimated completion date of opening to the public of August 2005. Jim Connolly, Bechtel-Korve Program Manager, provided a summary of the program management activities over the last month.

6. Approval Resolution No. 02-04 Authorizing CEO to Execute Temple Ave Train Diversion Project Documents & Agreements

Rick Richmond indicated that the Board had delegated to the CEO the power to negotiate all aspects of the right-of-way acquisition for the Temple Avenue Train Diversion Project through several Board actions. He indicated that Legal Counsel had indicated that a single resolution summarizing all the delegations would avoid delays in the final steps of the escrow process with Cal Poly Pomona. A motion was made to approve Resolution No. 02-04 in the agenda authorizing the Chief Executive Officer to execute documents and agreements pertaining to the acquisition of right-of-way from Cal Poly Pomona for the Temple Avenue Train Diversion Project. M/S/C: Vasquez/Cortez/Unanimous

7. Approval of Program Management Incremental Scope of Services for FY 2005

Rick Richmond summarized the history of the approval process for the program management services. He noted that the contract would be administered through a series of work authorizations (termed task orders) over the life of the project. Mr. Richmond summarized the scope of services anticipated during the fiscal year as summarized on pages 14-25. Mr. Girish Roy provided an overview of slides on deliverables provided by the program management team in FY '04. Mr. Richmond noted that the recently Board approved FY '05 ACE Operating

Budget was scaled back on previously scheduled construction activities due to the state budget uncertainties holding previously committed \$68 million in construction funds. As a result of reduced activities, Mr. Richmond noted that the Bechtel/Korve task order had been reduced by over \$2 million for FY '05. A motion was made to approve authorization of Task Order No. 4, the seventh incremental Scope of Services for Program Management by Bechtel/Korve JV, to cover the period July 1, 2004 through June 30, 2005. The additional funding for the contract would total \$5,139,935 for Task Order No. 4 and a revised total contract value of \$36,123,887. M/S/C: Gutierrez/Cortez/Unanimous

8. Approval of Revised Staffing Plan

Rick Richmond summarized the report on page 26 of the agenda and the need to reduce overall program management services. He indicated that consistent with the prior agenda item report in reducing costs by \$2 million, five project managers would no longer be needed from Bechtel/Korve program management support services. He proposed adding one ACE staff Senior Project Manager to absorb the additional workload. A copy of the organizational chart was included in the agenda. A motion was made to approve the revised staffing plan to add one Senior Project Manager staff position to manage construction projects. M/S/C: Huff/Vasquez/Unanimous

9. Approval of Contract for Financial Audit Services

Rick Richmond summarized the staff report on page 28 of the agenda. The Authority must conduct a financial audit each fiscal year in order to receive local, state, and federal grant funds. In April, the SGVCOG issued an RFP to procure consultant services to provide both the SGVCOG and ACE with independent audit capabilities. He noted that the SGVCOG Governing Board had gone through a competitive selection process and reviewed five proposals. The SGVCOG Board had chosen Lopez & Company as the most responsive bidder. Mr. Richmond summarized the key financial audit services the firm would provide in FY '05. A motion was made to approve the selection of Lopez & Company, LLP to provide financial audit services and authorized the CEO to issue a task order to Lopez & Company for audit services during FY '05 in an amount not-to-exceed \$25,775. M/S/C: Cortez/Huff/Unanimous

10. State and Federal Legislative Update

Sharon Neely provided a state and federal legislative funding update. She indicated that since the agenda had been issued, several actions had occurred. First, the Senate Transportation Appropriation Subcommittee has set July 8th as mark-up for the FY '05 appropriations. The House Transportation Appropriations Subcommittee mark-up is set for July 15th. Second, the Administration has issued a 10-page letter to the Conference Committee regarding their concerns for TEA-

21 re-authorization legislation. The letter threatens to veto any bill that exceeds a total funding package of \$256 billion (Senate prefers \$318 billion and indicated at the Conference Committee meeting they would not work on a bill for anything less. The House members indicated they would confer and discuss at the next meeting). The Administration letter also includes a recommendation to eliminate all highway earmarks and put those funds into the formula process. The net affect of this recommendation to ACE would be to lose the current \$15.8 million earmark included in the high priority projects list in HR 3550.

11. Adjournment

The meeting was adjourned at 2:45 PM.